



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN 1386 (1951)

April 9, 1986

SUBJECT: Use of Revised Price Factors in FmHA AN 1361 (1951)
"Development of Realistic Long Range Farm Budgets"

TO: All State Directors, FmHA

PURPOSE/INTENDED OUTCOME

This AN is issued to provide guidance on the use of the updated commodity price information in cases which were rejected using the price factors from AN 1328 dated January 23, 1986.

COMPARISON WITH PREVIOUS AN

This AN provides further guidance on using the revised price factors from AN 1361 (1951) for reconsideration of deferral requests which were rejected due to insufficient cash flow after the deferral period.

IMPLEMENTATION RESPONSIBILITIES

All deferral requests which were rejected on the basis of lack of repayment ability after the deferral period and are under appeal will be reviewed using the updated factors in FmHA AN 1361 (1951) dated March 12, 1986. If a deferral can be approved based upon the revised factors in AN 1361 and the borrower is otherwise eligible, the County Supervisor will immediately notify the borrower and continue processing the deferral and any related loan requests. If the revised factors will not facilitate a positive cash flow, this will be documented in the case file and the appeal will continue in accordance with FmHA Instruction 1900-B. If the appeal has been concluded and the decision upheld, the case will be reviewed and if the revised factors would make the deferral feasible and the borrower is otherwise eligible, the borrower will be notified immediately and processing of the deferral will be resumed.

Rejected deferrals which were not appealed will not be reviewed using the updated factors unless the borrower submits a new deferral request.

VANCE L. CLARK
Administrator

Expiration Date: September 30, 1986

Filing Instruction:
Preceding FmHA Instruction
1951-A

Sent by Electronic Mail on 04/10/86 at 8:53 am. by DASD (IMPS). The State Director will immediately advise the Farmer Program Chief, District Director and County Supervisors of the contents of this AN.



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